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Report of the Secretary-General on the United Nations Interim Administration Mission in Kosovo

I. Introduction and Mission priorities

1. The present report is submitted pursuant to Security Council resolution 1244 (1999), by which the Council decided to establish the United Nations Interim Administration Mission in Kosovo (UNMIK) and requested that I report at regular intervals on the implementation of its mandate. It covers the activities of UNMIK, and developments related thereto, from 16 April to 15 July 2011.

2. The Mission's priorities remain unchanged: to promote security, stability and respect for human rights in Kosovo and in the region. UNMIK continues to further these goals by engaging with Pristina and Belgrade, the communities in Kosovo, and regional and international actors. The Organization for Security and Cooperation in Europe (OSCE) and the Kosovo Force (KFOR) have continued to perform their important roles within the framework of Security Council resolution 1244 (1999). In line with the Security Council presidential statement of 26 November 2008 (S/PRST/2008/44) and my report of 24 November 2008 (S/2008/692), the European Union Rule of Law Mission (EULEX) is operating under the overall authority and within the status-neutral framework of the United Nations. OSCE, KFOR and EULEX have continued to cooperate and coordinate with UNMIK. The United Nations agencies, funds and programmes also continue to work closely with UNMIK.

II. Political situation

3. Having overcome a series of political crises, the Kosovo authorities have focused their attention on consolidating themselves and ensuring institutional stability. The leaders of the two main ruling Kosovo Albanian parties, the Democratic Party of Kosovo (PDK) and the New Kosovo Alliance (AKR), agreed on modalities for redistributing ministerial posts. The Prime Minister, Hashim Thaçi (PDK), appointed former President Behgjet Pacolli (AKR) as the Principal Deputy Prime Minister, a newly created post, and a member of AKR to head the newly created Ministry for the Diaspora. At present, the Government has six deputy prime ministers and 19 ministers, of whom three are also deputy prime ministers. The current deputy ministers include three Serbs and eight from other communities.

4. Early in May, the ad hoc Assembly Committee on the reform of the electoral law, composed of representatives from all Assembly caucuses, commenced its work.

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Electoral system reform was part of the compromise agreement between the PDK-led government and the main opposition party, the Democratic League of Kosovo (LDK), which ended the political crisis early in the year. The Assembly Committee is preparing a proposal introducing multiple electoral districts and a majority system for the legislative elections. Once the Committee reaches agreement on the changes, a two-thirds majority of the Assembly is required for adoption.

5. During the reporting period, the Kosovo authorities increased their efforts to establish a close engagement with the European Union and enjoy visibility at the international level. In this context, they received visits from the President of the European Commission, José Manuel Barroso, and the European Union High Representative for Security and Foreign Policy, Catherine Ashton. During her visit, the High Representative emphasized the importance of the ongoing dialogue with Belgrade and urged the parties to show flexibility and creativity in order to secure tangible results. The Prime Minister went to Brussels shortly after the fifth round of the dialogue, and discussed the European Union perspective for Kosovo with the High Representative. Since her inauguration on 7 April, the President, Atifete Jahjaga, has focused her activities on participating in multilateral forums. Among other meetings, she attended the summit of Central European leaders in Warsaw, and the celebrations in Rome for the 150th anniversary of the unification of Italy. The host countries did not invite UNMIK to these events. The President of Serbia, Boris Tadić, although invited, did not attend, citing the policy of the Government of Serbia not to attend gatherings where the participation of Kosovo is not facilitated by the United Nations.

6. The Kosovo authorities have reiterated their willingness to cooperate with an investigation into the allegations contained in the report of the Special Rapporteur of the Council of Europe on trafficking in human organs, Dick Marty, and welcomed the creation of a EULEX Task Force to conduct the investigation. EULEX has confirmed that the Task Force will be operational later in 2011, when the ongoing recruitment of all its staff members will be finalized. The Task Force will be composed of two international prosecutors and several international investigators specializing in war crimes investigations. The Task Force, which will exercise its functions under the administrative authority of the head of the EULEX justice component, will be located in Brussels and Pristina. While Serbia has acknowledged the efforts of EULEX in this regard, Belgrade has remained firm in its view that there should be an independent body established by the Security Council, with investigative powers in Albania and beyond, to lead the investigation.

7. During the reporting period, some Serbian government officials, including the Principal Deputy Prime Minister and Minister of the Interior, Ivica Dačić, suggested that "territorial adjustments" might be brought to the table in order to reach a final settlement for Kosovo. The suggestion resulted in sharp retorts from Pristina and Washington. The Kosovo authorities argued that the only way to resolve ethnic problems in Kosovo, and in the Western Balkans, was through full implementation of the Ahtisaari plan and European integration. Kosovo Serb political groups also opposed the idea of territorial adjustments, regardless of whether they live north or south of the Ibër/Ibar River and regardless of their orientation towards Belgrade or Pristina. Those living south of the Ibër/Ibar River fear that territorial adjustments would leave them unprotected in Kosovo, while the northern Kosovo Serbs argue that they are against the Serbian national interest and prohibited by the Serbian Constitution, as they imply recognition of Kosovo's independence. In contrast, the

head of the Kosovo Albanian opposition group Vetëvendosje, Albin Kurti, pledged to work towards the union of Kosovo with Albania.

8. On 12 May, the head of the Belgrade delegation in the dialogue with Pristina, Borislav Stefanović, travelled to Pristina and met with the Deputy Prime Minister and Justice Minister, Hajredin Kuçi; the head of the Pristina delegation in the dialogue, the Deputy Prime Minister, Edita Tahiri; the United States Ambassador; and the interim European Union Special Representative. The visit sparked protests by some 200 supporters of Vetëvendosje, which turned violent and resulted in injuries to several people, including police officers, and damage to some vehicles. The Kosovo authorities condemned the protests.

9. During the reporting period one State Member of the United Nations, Andorra, recognized Kosovo, bringing the total number of recognizing States to 76.

III. Engagement between Pristina and Belgrade and practical arrangements

10. During the reporting period, the process of dialogue welcomed by the General Assembly in its resolution 64/298 and facilitated by the European Union continued: the fourth and fifth rounds of meetings were held in Brussels on 17 and 18 May and on 2 July. The Political Director of the Serbian Ministry of Foreign Affairs, Borislav Stefanović, and the Deputy Prime Minister of Kosovo, Edita Tahiri, continued to lead their respective delegations in the talks.

11. Between the plenary sessions, the frequency of preparatory meetings, technical working groups and bilateral and trilateral contacts between the European Union dialogue facilitation team and the parties to the dialogue was markedly increased.

12. The fourth round of discussions focused on civil registry, cadastre records, freedom of movement, telecommunications and energy issues. The fifth meeting brought concrete results to the dialogue. Agreement was reached in three areas which will improve the life of ordinary people. On civil registry, the parties agreed that a joint committee chaired by EULEX, established as a result of talks at previous dialogue meetings, will continue identifying gaps in missing civil registry books. EULEX will certify copies of all original civil registry books with a view to establishing a comprehensive civil registry in Kosovo. As part of the agreement, EULEX will provide specific civil registration information from Kosovo upon request. This would allow greater legal certainty for people living in Kosovo and it would facilitate the resolution of related issues in court.

13. The agreement on freedom of movement, which both sides agreed should be implemented as soon as possible, will enable people to cross the administrative boundary line using their identity cards or driving licences. It includes other provisions that would allow cross-boundary travel by car, the details of which have to be worked out.

14. The parties also agreed in principle on the acceptance of university and school diplomas. This is expected to be implemented through the certification by a mutually agreed international body or a third-party academic institution. The parties plan to elaborate the details at the next dialogue meeting.

15. It is expected that the agreements reached at the fifth meeting, presented in the form of conclusions by the European Union Chair, will be put into practice as soon as operationally feasible. The firm commitment of both parties to make the agreements work will materialize in the establishment of tripartite joint working groups chaired by the European Union to ensure that implementation is carried out as efficiently as possible. UNMIK has continued its contribution to the dialogue, including its assistance to the meetings and providing information from its experience in Kosovo, such as on civil registry, freedom of movement, acceptance of diplomas and free movement of goods.

16. The Kosovo opposition parties Alliance for the Future of Kosovo (AAK), LDK and Vetëvendosje, as well as civil society organizations, have demanded that the agreements reached be presented and discussed in the Assembly of Kosovo and have criticized the Kosovo authorities for lack of transparency on the issue. Most adamant in this regard was Vetëvendosje, which opposes the dialogue. The President of the Assembly, Jakup Krasniqi (PDK), has made several public statements alleging that neither he nor the Assembly have been adequately briefed about the substance of the dialogue.

17. Northern Kosovo Serb leaders generally voiced disapproval of the dialogue, stating that it was against the interests of Kosovo Serbs and constituted a step towards Serbia recognizing Kosovo as an independent State. Kosovo Serb leaders south of the Ibër/Ibar River were more positive about the dialogue as a tool to help to ease their day-to-day problems. The largest Kosovo Serb party participating in the Kosovo institutions, the Independent Liberal Party, repeatedly expressed frustration over its perceived exclusion from the process by both Belgrade and Pristina.

18. The Government of Serbia promoted the mutual benefits of the agreements, while stressing that they did not prejudice the future status of Kosovo. The Serbian opposition parties have criticized the main ruling party in Serbia, the Democratic Party, for agreeing to the dialogue conclusions, with the notable exception of the smaller opposition Liberal Democratic Party, which welcomed the conclusions. Yet, while the opposition Democratic Party of Serbia, New Serbia and the Serbian Radical Party denounced the development, the largest opposition party, the Serbian Progressive Party, projected a milder tone, noting that the dialogue must continue, but that its conclusions must not lead to the recognition of Kosovo by Serbia.

19. Complementing the support provided to the formal dialogue process, my Special Representative and my Representative in Belgrade have continued to hold regular meetings with the Serbian leadership, and contacts between my Special Representative and the Kosovo authorities have intensified. UNMIK staff continued to liaise regularly with the Kosovo authorities at the working level.

20. During the reporting period, exhumation efforts were resumed at Zhilivodë/Žilivoda by the Kosovo Security Force and EULEX. On 15 July 2011, the Pristina-Belgrade Working Group on Missing Persons, chaired by the International Committee of the Red Cross (ICRC), held its first meeting after a hiatus of nearly one year, largely due to internal political events in Kosovo. The parties reiterated their intention to fulfil the commitments undertaken and to continue their interaction within the framework of the Working Group. Eleven missing persons were identified and their remains returned to their families. According to ICRC, 1,809 persons remain missing.

IV. Northern Kosovo

21. The overall security situation in northern Kosovo remained relatively calm, but tensions increased towards the end of the reporting period. Northern Kosovo Serb leaders raised concerns with regard to decisions of the Kosovo Ministry of Internal Affairs to expand its operations into Kosovo Serb-majority northern municipalities, through the activities of the Regional Operational Support Units and Regional Traffic Units. Tensions rose when the Operational Support Units commenced daily patrols in multi-ethnic areas of northern Kosovo, as part of Pristina's efforts to assert authority there.

22. In the middle of May, a decision by the Kosovo Ministry of Internal Affairs to rotate the Kosovo police northern station and gate commanders also heightened tensions in northern Kosovo. Initially, all six northern Kosovo Serb commanders refused to implement the rotation order and were suspended from office. While two of the commanders later agreed to the rotation, one was prevented from assuming his new post by a roadblock. After an investigation by the Kosovo Police Professional Standards Unit, early in July the Kosovo police Director endorsed a decision to terminate the employment contracts of the four Kosovo Serb commanders who did not comply with the rotation order. Northern Kosovo Serb leaders denounced the decision and expressed the position that any rotation plans should have been based on consultations with them. Kosovo Serb police officers and administrative staff in the northern stations have held random work stoppages in support of the reinstatement of the dismissed commanders. In June, the Belgrade-sponsored municipal assemblies in Zubin Potok, Zveçan/Zvečan, Leposaviq/Leposavić and northern Mitrovica held a joint session at which they rejected the rotation plans and blamed KFOR, EULEX and the Kosovo authorities for trying to pressure northern Kosovo Serbs to accept the authority of Pristina. By 15 July, the four dismissed northern commanders had signed their termination letters. The termination decision can be appealed by 20 July.

23. Following the detention in May of a Serb resident of Zubin Potok by EULEX, on suspicion of various criminal activities, including organized crime, smuggling, and fraudulent evasion of import duty and excise tax, members of the local business community denounced the detention as intimidation and an attempt to impose the payment of taxes and Customs duties to the Kosovo authorities, which they do not recognize. As a result, the local business association organized daily roadblocks in Zubin Potok and sporadic roadblocks in northern Mitrovica, Leposaviq/Leposavić and Zveçan/Zvečan, which continued for almost one month. While the actions were initially staged in support of the detainee, subsequently they were also in opposition to the rotation of the northern police station commanders. These developments further strained the relationship between northern Kosovo Serbs and EULEX.

24. In response to allegations by some northern Kosovo Serb local leaders and inhabitants that their interests were not being adequately reflected by the Serbian delegation in the dialogue, the head of Belgrade's negotiating team in the dialogue with Pristina, Borislav Stefanović, visited on 2 June Zveçan/Zvečan and Zubin Potok and met with local officials to reassure them that their interests would be taken into account in the talks.

25. In May, the UNMIK Advisory Board in Mitrovica was expanded and its procedures streamlined to make it a more efficient body and to better reflect the

existing local political situation in northern Mitrovica. Following a series of UNMIK consultations with all stakeholders, to identify suitable candidates and maintain an ethnic balance reflecting the local population, 15 members were appointed to the Advisory Board, including two Kosovo Albanians and one Kosovo Bosniak.

26. On 16 June, the Kosovo Customs authorities blocked a shipment of lorries loaded with zinc ore concentrates destined for export by the northern and southern components of the Trepça Enterprise, on the basis of a letter from the Kosovo Privatization Agency to the effect that it had not authorized such exports. Later, the authorities released the Trepça/south shipment for export, whereas all 22 lorries coming from Trepça/north were refused passage. The Trepça/north export had been authorized by UNMIK on the basis of legislation promulgated under resolution 1244 (1999). The northern part of the Trepça Enterprise derives almost all income from these mineral concentrate exports, which is essential for the economy in the north, as it pays suppliers and all Trepça/north employees.

V. Economic situation

27. On 1 June, an International Monetary Fund (IMF) mission on the Article IV consultations with Kosovo announced the interruption of the 18-month standby arrangement with Kosovo. IMF concluded that elements of the Kosovo government's 2011 budget, in particular the large increase in the wage bill, deviated from the commitments under the arrangement. As a result, Kosovo will not be able to access the IMF funds to be disbursed under the standby arrangement in 2011. In addition, a considerable amount of European Union and World Bank funds will not materialize, as these are linked to clear assurances on a sound macro-economic framework. IMF staff have agreed with the Kosovo authorities on a staff monitoring programme, under which the Fund would monitor the implementation of economic and financial reforms until the end of 2011, before deciding on a possible IMF-supported arrangement in 2012. The 2011 budget also includes income of €300 million from the forecast sale of 75 per cent of the shares of the telephone company PTK, expected to be the main source of deficit financing. According to IMF, a possible delay in the privatization process is a risk for the 2011 budget. Doubts about whether these funds will be made available in full, as well as the planned expenditure for the construction of the highway traversing Kosovo from Albania, place additional financial pressure on the Kosovo budget. In addition, since Kosovo lost preferential trade treatment by the European Union on 31 December 2010, products originating from Kosovo are subject to Customs duties upon entering into the European Union market.

28. In May, the Kosovo authorities started preparing amendments to the existing privatization legal framework in Kosovo previously established by UNMIK. There are some concerns that the draft legislation may permit the Kosovo authorities to have access to, and use for budgetary purposes, privatization funds that are held in trust by the Kosovo Trust Agency for the benefit of owners and creditors. The proposed legislation would severely weaken the protection of privatization funds and expose the funds to the possibility of improper use. It therefore raises both property rights issues, in terms of the possible expropriation of privatization funds to the detriment of owners and creditors, and duty of care and potential liability issues, vis-à-vis owners and creditors, to protect the trust funds. The proposed legislation also contemplates changes to the privatization and liquidation process of

socially owned enterprises and seeks to minimize international involvement in Kosovo Trust Agency-related matters, contrary to the legal framework established by UNMIK.

VI. Security

29. During the period under review, the overall security situation in Kosovo remained relatively calm, although low-level incidents affecting minority communities increased compared to the same period in 2010, as did the number of incidents affecting international personnel and assets.

30. One positive development was a nearly 27 per cent decrease in the number of murders and attempted murders. There was also a 20 per cent reduction in the number of armed robberies. Kosovo police demonstrated improved professionalism by conducting a number of successful operations against arms smuggling, trafficking of human beings, corruption and money-laundering. On 19 April, nine firearms and 600 rounds of ammunition were seized in Kaçanik/Kačanik. On 13 June, a heavy machine gun with 600 rounds of ammunition and a mortar with 33 grenades were seized in another operation near Shtërpcë/Štrpce.

31. However, criminal incidents affecting minority communities nearly doubled during the past three months compared to the same period the previous year (77 cases as at 15 July, compared to 38 in 2010). There were five instances of buses transporting ethnic Serbs being stoned. Although most other cases consisted of low-level harassment, intimidation, assault and damage to property, a few serious incidents were also reported, such as an assault on three Kosovo Serb police officers on duty by a group of Kosovo Albanian armed men on 2 July and the stabbing of a Serb in Mitrovica.

32. Most of the incidents affecting international personnel and assets were low-profile thefts, burglaries or minor damage to property or vehicles, but several physical assaults, threats and stoning incidents were also reported. Notably, on 7 June in Pristina, two EULEX official vehicles were set on fire by unknown individuals, while an international staff member of the European Commission was assaulted and robbed on 15 June. On 6 and 21 June, two vehicles with OSCE registration plates, one a private car driven by an international staff member, the other an official vehicle, were hit by bullets under unclear circumstances near Pejë/Peć and Gjilan/Gnjilane, respectively.

33. During the reporting period there were also a number of protests, rallies and demonstrations across Kosovo over various political and socio-economic issues, which were generally peaceful.

34. The crime rate remained relatively constant. The overall number of violent crimes committed with the use or under the threat of weapons remained high, with no sign of decrease, indicating that the proliferation of illegal weapons continued to be a serious factor of insecurity. A total of 151 shooting incidents and 335 cases of confiscation of illegal weapons and ammunition were registered during the past three months.

35. On 29 June, the Kosovo Albanian Mayor in southern Mitrovica threatened to remove the external concrete blast walls that surround the building currently used by UNMIK as its regional premises, claiming that this is necessary as part of the

municipality's urban beautification plan, funded by the European Commission. The issue was resolved only after a series of UNMIK interventions with EULEX, the European Commission Liaison Office, bilateral missions, and senior political leadership in Pristina, all of whom understood the illegality of the proposed action. The Officer in Charge of UNMIK met with the Mayor on 7 July and, after a fresh assessment of the security requirements, reached an understanding which obviated the municipality's intention to remove the blast walls, by changing their location.

VII. Rule of law

36. UNMIK continued to exercise certain responsibilities in the area of the rule of law, to monitor activities and to cooperate at the technical level with the Kosovo Ministries of Justice and Internal Affairs, and the Serbian Ministry of Justice. UNMIK also continued to facilitate communication between the Serbian authorities and non-recognizing States and the Kosovo Ministry of Justice, including receiving and forwarding requests for mutual legal assistance. The impasse between the Kosovo Ministry of Justice and the Serbian Ministry of Justice on mutual legal assistance persisted. UNMIK remains engaged in discussions to address the situation, including with EULEX. During the reporting period, UNMIK forwarded 46 responses from the Serbian Ministry to the Kosovo Ministry.

37. As Serbia had not processed any requests received directly from the Kosovo Ministry of Justice, the Special Chamber of the Supreme Court on Kosovo Trust Agency-Related Matters used UNMIK good offices to carry out mutual legal assistance: UNMIK forwarded 47 requests for service of documents to Serbia from the Special Chamber.

38. UNMIK also facilitated the interaction of Kosovo with INTERPOL and its member States on a daily basis, receiving eight requests for issuance of international wanted notices and facilitating the issuance of five INTERPOL red notices.

39. During the reporting period, UNMIK continued to provide document-certification services, both to Kosovo residents and at the request of non-recognizing States. Those services included primarily the certification of civil status, pension and academic documents.

VIII. Communities, returns and reconciliation

40. The Office of the United Nations High Commissioner for Refugees (UNHCR) reported 244 individual voluntary minority returns in April and May, bringing the total of such returns since January to 492 persons. Of the 244 returnees, approximately 39 per cent were Kosovo Serbs, 34 per cent were from the Kosovo Roma, Ashkali and Egyptian communities, and 12 per cent were Kosovo Goranis, while Kosovo Bosniaks and Kosovo Albanians each accounted for 5 per cent. The total number of minority voluntary returns from January 2000 to May 2011 is 22,630.

41. In April and May, five "go-and-see" visits were organized for 69 displaced persons, mostly from Montenegro and Serbia, as well as five "go-and-inform" visits in Serbia proper, for the benefit of more than 139 displaced persons from the Deçan/Dečani, Kllokot/Klokot, Rahovec/Orahovac and Lipjan/Lipljan municipalities.

42. Some receiving communities continue to oppose the return of displaced persons. In Shtime/Štimlje municipality, a Kosovo Albanian receiving community had objected to the return of three Kosovo Ashkali displaced families from the former Yugoslav Republic of Macedonia on the basis of war crime allegations. In Deçan/Dečani, a "go-and-see" visit to Lloqan/Loćane village for 13 displaced Kosovo Serbs was postponed when the receiving community objected to the visit of two of them, alleging that they had committed war crimes during the conflict. Municipal authorities and other stakeholders are seeking durable solutions to deal with these situations, including pre-return dialogue and inclusion of benefits for the receiving communities in returns projects.

43. UNHCR also recorded the forced return, mainly from Western European countries, of 100 persons from minority communities: 71 members of the Kosovo Roma, Ashkali and Egyptian communities, 11 Kosovo Serbs, 12 Kosovo Bosniaks, 4 Kosovo Goranis and 2 Kosovo Albanians.

44. Kosovo central and local authorities are grappling with the socio-economic difficulties associated with the reintegration of forced returnees. Municipal authorities have cited lack of funding and bureaucratic hurdles, including lack of coordination between them and the Ministry of Internal Affairs. In a bid to advance the returns process, several returns projects were initiated, notably the development of the Municipal Returns Strategy, allocation of land for landless displaced persons of the Kosovo Roma, Ashkali and Egyptian communities, review of applications from displaced persons for assistance with housing construction/reconstruction, and commencement of stalled construction projects.

45. Several municipalities made significant progress in implementing development projects for returnees, especially in minority and ethnically mixed villages. Dragash/Dragaš, Istog/Istok, Graçanicë/Gračanica, Lipjan/Lipljan, Fushë Kosovë/Kosovo Polje and Partesh/Parteš are among the municipalities that embarked on capital investment projects for minority community residents, including infrastructure development such as construction or upgrading of roads, construction of sewage and water supply networks, modernizing the electricity network and building new schools. Nevertheless, some members of minority communities have expressed dissatisfaction with the poor state of infrastructure in their villages, in particular with the irregular electricity and water supply, dilapidated roads and sewage systems, as well as the lack of employment prospects. As part of its support to communities, UNMIK facilitated communication between minority communities and the Kosovo authorities on a number of these issues, encouraging outreach and attention by Kosovo authorities to minority villages.

46. In April, the Kosovo authorities conducted a population and housing census throughout Kosovo, with the exception of the area north of the Ibër/Ibar River. Discussions were held with northern Kosovo Serb leaders about conducting the census in northern Kosovo, but no agreement has been reached. According to the preliminary figures, the total population residing in Kosovo, excluding the inhabitants in the north, amounts to 1,733,872 inhabitants. Non-residents were not included in the preliminary results. In the 1981 census, which is the last that was accepted by all sides, 1,584,440 residents were registered. The census will provide critical data for integrated planning processes and is crucial for ensuring proper planning of future development strategies for all Kosovo residents. Final data are due to be published in June 2012, but without data or accurate estimates of the

number of Kosovo Serbs resident in Kosovo, particularly in northern Kosovo, they will be incomplete.

47. Easter celebrations and religious services were held throughout Kosovo without major incidents. The Serbian Orthodox Church held its main Easter commemoration in the recently renovated cathedral of St. George in Prizren, where the head of the diocese of Raška-Prizren, Bishop Teodosije, celebrated the first Easter liturgy since 1999 before a congregation of some 100 Kosovo Serbs. On 28 June, St. Vitus' Day (Vidovdan) was celebrated in Gračanica Monastery and at Gazimestan, with the participation of the Serbian Orthodox Patriarch Irinej and nearly 2,000 Serb participants. There were only a few incidents, including a clash between five Serbs and police at Gazimestan and the stoning of two Serbian buses in southern Mitrovica. The five individuals involved in the clash with the police, four of whom were from Serbia proper and one from Kosovo, were sentenced to 30 days in jail for disturbing public peace and order and inciting racial, ethnic and religious hatred. Following discrepancies regarding the events in question as reported by the Kosovo police, on the one hand, and EULEX police, on the other, the latter took over the cases and on 13 July a EULEX prosecutor dropped the charges for lack of evidence.

IX. Cultural and religious heritage

48. UNMIK continued to facilitate the work of the Reconstruction Implementation Commission on the reconstruction of cultural and religious heritage sites damaged or destroyed during the violence of March 2004. During the reporting period, the final stage of implementation continued at several sites, and the Commission held consultations with all parties to explore modalities for further activities through the mechanism of the Commission, which remains the only platform for technical interaction on cultural heritage among the Serbian Orthodox Church, Pristina and Belgrade.

49. UNMIK also facilitated the activities of the United Nations Educational, Scientific and Cultural Organization (UNESCO) in Kosovo, based on the umbrella memorandum of understanding. During the reporting period, the contract for the reconstruction of the Roman Catholic cathedral in Prizren, funded by the Government of Albania, was signed, and the tender for the restoration of wall paintings in the Church of the Holy Virgin Ljeviška in Prizren, funded by donations from the Governments of Greece and the Czech Republic, was completed.

50. UNMIK monitored the security arrangements provided for Serbian Orthodox sites in coordination with EULEX, the Kosovo Ministry of Culture, Youth and Sports and KFOR. On 10 May, KFOR transferred security responsibilities for the Holy Archangels Monastery, near Prizren, to the Kosovo police. The patrimonial sites of the Serbian Orthodox Church now remaining under KFOR protection are the Visoki Dečani and Dević monasteries and the monastery of the Peć Patriarchate.

51. While some Serbian religious sites and Orthodox graveyards were damaged during the reporting period, there were also positive examples of communication between local authorities and the Serbian Orthodox Church. In Rahovec/Orahovac, after international intervention, the municipal and Serbian Orthodox Church authorities are seeking a peaceful settlement to the encroachment of land belonging to the Orthodox Monastery in Zoqishtë/Zočište village, which occurred as a result of

the rehabilitation and extension of the adjacent road. Another positive sign of improving relations was the meeting in June between Bishop Teodosije and the Mayor of Deçan/Dečani, facilitated by the Norwegian Ambassador to Kosovo, at which prospects for closer cooperation were discussed.

52. On 23 June, the diocese of Raška/Prizren reported that excavation works by a private citizen adjacent to the church had exposed parts of the foundations of the Orthodox Church of St. Kyriake, in the historic centre of Prizren. The diocese fears that the excavation work could affect the stability of the more than 700-year-old church and called for urgent measures to preserve and protect the site, which is located within the town's special protective zone. The Kosovo police confirmed the damage to the church's foundation and the municipal inspectorate halted all work at the site.

X. Human rights

53. The Ombudsperson Institution is still awaiting the appointment of the Deputy Ombudspersons, although the Assembly of Kosovo has initiated the procedure. In June, the Ombudsperson addressed a special report to the President of the Assembly, detailing the difficulties that the institution continues to face in the exercise of its mandate. The report states that challenges stem mainly from alleged attempts to infringe the institution's independence through budgetary interventions by the Government and notes that, in this respect, the law on the Ombudsperson adopted by the Assembly constitutes a setback compared to the UNMIK regulation. The Assembly Committee on Human Rights has been engaged to address some of the recommendations contained in that report.

54. According to the Office of the United Nations High Commissioner for Human Rights, the recent alleged murder of a 27-year-old woman by her ex-husband brought to light continued failures by the judiciary to duly apply protection measures in accordance with the relevant legislation. In the case in question, a judge failed to impose urgent protection measures within 15 days as prescribed by law. According to the Kosovo police, this was the fourth woman to die as a result of domestic violence in the past 12 months. In addition, lenient sanctions are being imposed against violations of protection measures, even in cases of recidivism. Incomplete investigations, inadequate implementation of protection measures, lack of cooperation between the police and prosecutors, and a failure to prosecute offenders have increased victims' vulnerability to recidivism while allowing perpetrators to go unpunished. Without a strong message from law enforcement mechanisms that violence will not be tolerated, perpetrators can continue to abuse women without fear of sanctions.

XI. External representation and regional cooperation

55. During the reporting period, UNMIK facilitated the participation of Kosovo representatives at numerous regional meetings at different levels, including the meeting of the Foreign Ministers of the European Union and the Western Balkans in Luxembourg on 21 June, as well as several Energy Community meetings in other sectors, such as transport and aviation.

56. The meetings of the 2011 chairmanship of the Central European Free Trade Agreement (CEFTA) continued. After the meetings of the CEFTA Working Group on Technical Barriers to Trade in April and the Subcommittee on Customs and Rules of Origin on 19 and 20 May, UNMIK facilitated the meeting of the Subcommittee on Agriculture on 24 May in Brussels, chaired by the 2011 Chair-in-Office. On 30 June the meeting of CEFTA Experts and Deputy Ministers was held in Pristina, with the participation of all CEFTA parties except Montenegro and the Republic of Moldova. However, the Kosovo authorities chose not to participate in the Subcommittee on Non-Tariff Barriers and Technical Barriers to Trade in Sarajevo, as they disagreed with the modalities of the meeting.

XII. Observations

57. I am pleased to report that the dialogue between Belgrade and Pristina has continued at an intense pace during the reporting period and has produced its first concrete results three months after its launch. I welcome the agreements reached in the areas of freedom of movement, civil registry and academic diplomas and I urge Belgrade and Pristina to engage fully in implementing them. It remains my firm belief that this dialogue has the potential to bridge the differences between the sides and to resolve a series of long-standing issues that affect the lives of the people on the ground.

58. I have noted that the engagement of the sides in the process has been facing some opposition. However, I am confident that the positive impact of the agreements, when implemented, will generate a wider understanding and appreciation of the benefits that can be derived from the dialogue. I also consider that the positive engagement of the sides outside the formal process of dialogue, such as the meetings held in May by senior officials in Pristina and the Serbian negotiator, may pave the way for further progress in their relations.

59. As the process of dialogue moves forward, the United Nations remains committed to supporting the facilitating role of the European Union, and to providing its expertise on the issues under discussion. I reiterate my intention to keep the Security Council informed of the progress made in the dialogue, and I appeal to its members to continue encouraging the sides to make good faith efforts to tackle the remaining challenges. I believe that agreements can be reached on a number of issues discussed during the past months, thereby contributing significantly to the consolidation of peace, stability and reconciliation in Kosovo and in the region.

60. I am also encouraged by the resumption of the sessions of the Working Group on Missing Persons, after a hiatus of nearly a year largely due to internal political events in Kosovo. The continuing engagement and commitment by the parties to this fundamental humanitarian issue is of vital importance to reconciliation in Kosovo and the region. UNMIK will continue to support efforts by Pristina, Belgrade, EULEX and ICRC to resolve all the outstanding cases of missing persons.

61. The numbers of voluntary returns have remained disappointingly low, despite efforts by the local and central authorities to provide additional funding to assist with reconstruction and the allocation of municipal land for internally displaced persons. It is my hope that solutions will be found to addressing the persisting

tensions between receiving communities and returnees, and efforts will be redoubled to ensure the successful reintegration of all the returning communities.

62. In northern Kosovo, the growing tensions remain a cause for concern. In this regard, I will continue to firmly stress that sensitive issues relating to northern Kosovo can be resolved only through peaceful means, on the basis of consultation with all communities on the ground, and not through unilateral action. I urge all sides to refrain from actions that could undermine the progress made in the dialogue and escalate tensions, and to work together to avoid any further deterioration of the situation.

63. Regrettably, this period saw the recurrence of earlier, unacceptable threats to the premises of the UNMIK office in Mitrovica by the local municipal authorities. I call on the authorities in Mitrovica and on the political leaders in Pristina to demonstrate full respect and to provide reassurances that the inviolability of the UNMIK premises throughout Kosovo will henceforth be clearly acknowledged and observed. I have also noted with concern the growing overall number of incidents affecting international personnel and assets.

64. I would like to express my gratitude to Lamberto Zannier, who concluded his tenure as my Special Representative for Kosovo and Head of UNMIK on 1 July, for his strong commitment to the United Nations principles and his leadership of UNMIK during the past three years. I deeply appreciated his successful management of the evolution of the Mission within a challenging political environment and his dedicated efforts to furthering peace and stability in Kosovo and the region. I would also like to commend the staff of UNMIK for their work and commitment to the goals of the United Nations.

65. Finally, I would like to conclude by extending my gratitude to the long-standing partners of the United Nations in Kosovo — the European Union, NATO and OSCE — as well as to the United Nations agencies, funds and programmes, for their ongoing support and cooperation with UNMIK.

Annex I

Report of the European Union High Representative for Foreign Affairs and Security Policy to the Secretary-General on the activities of the European Union Rule of Law Mission in Kosovo

(covering the period from 16 April to 15 July 2011)

1. Summary

21 July 2011

The European Union Rule of Law Mission in Kosovo (EULEX) continued to implement its mandate to monitor, mentor and advise Kosovo institutions. The Mission provided assistance and support to the consolidation and reform of rule of law institutions, along with input to several long-term judicial and police reforms. EULEX also made use of its executive functions, when necessary, in the context of policing and investigative tasks related to high-profile investigations, police operations in the north of Kosovo and the prosecution of cases involving war crimes, corruption and organized crime. The Mission continued to focus attention on the north of Kosovo, increasing the number of Mission staff living in the area while working to defuse ongoing tensions between local communities. The Mission has also taken an active role in the Prishtinë/Priština-Belgrade dialogue by facilitating the technical aspects of an agreement to return copies of civil registries records to Kosovo.

Since the report of the Council of Europe Special Rapporteur, Senator Dick Marty, on the investigation of allegations of inhuman treatment of people and illicit trafficking in human organs in Kosovo was made public in December 2010, EULEX has assumed responsibility for the case and continues to move forward with the preliminary investigation, through a special task force, partially based in Brussels.

2. EULEX activities, April to July 2011

General

EULEX currently comprises 2,824 staff (1,637 international and 1,187 local staff). Monitoring, mentoring and advising in support of Kosovo institutions remains the Mission's defining function and constitutes the majority of its everyday work, although the executive functions of the Mission are employed regularly and attract greater attention.

EULEX provided monitoring, mentoring and advising on several actions and management-level processes in Kosovo, including the handover/takeover from KFOR to the Kosovo police of the third and final phase of the border with the former Yugoslav Republic of Macedonia in June, and the handing over of security responsibility for the Holy Archangels Monastery in Prizren to the Kosovo police on 10 May. The Mission also worked closely with Kosovo Customs to replace outdated data-processing systems with the integrated system ASYCUDA World, compliant with European Union standards, and worked with the Kosovo police to introduce the

European Union-compatible Border Management System. Both systems should improve the ability of Kosovo to effectively control border/boundary crossing points and monitor the entry and exit of persons, goods and vehicles. EULEX also provided support to the consolidation and development of Kosovo rule of law institutions like the Kosovo Judicial Council and Kosovo Prosecutorial Council, helping these burgeoning institutions to establish internal procedures on the recruitment and selection of council members and judges and enhancing transparency, together with preparing for implementation of the Kosovo Law on Courts, an in-depth reform of the structure and jurisdiction of Kosovo courts — and a key task for the Kosovo Judicial Council in the coming three years. EULEX is also providing close assistance to Kosovo authorities on the establishment of an adequate witness protection programme, another reform critical to a functional Kosovo justice sector in the future. Until such structures can stand on their own, EULEX operates a fully operational and independent witness protection programme for Kosovo.

EULEX provided support to the continuing Prishtinë/Priština-Belgrade dialogue, facilitating the agreement to hand over copied civil registries records removed from Kosovo during the 1998-1999 conflict by chairing the Joint Committee on the matter and acting as an intermediary to certify and share the documents.

Throughout spring and summer, EULEX carried out a public anti-drugs media campaign throughout Kosovo, coordinated with the Kosovo police as a public information and community policing effort.

War crimes

EULEX continued several investigations and prosecutions in the area of war crimes, including the trials of several high-profile suspects. The so-called "Geci" trial, begun in March under the direction of Mitrovicë/Mitrovica District Court, continued to hear testimony throughout the spring and summer, with a verdict expected at the end of July. The trial against defendants Sabit Geci and Riza Alija, accused of war crimes committed against civilians in a Kosovo Liberation Army military compound in Albania during the Kosovo conflict of 1999, has benefited greatly from the provision of anonymous video links facilitated by the EULEX Witness Security Unit. The video links allowed persons to testify without revealing their identity, giving the prosecution access to key testimonies. The trial is also notable for the fact that the Mission successfully established jurisdiction over the Geci case for crimes committed in Albania, an arrangement applicable to the ongoing investigation based on the report by Senator Dick Marty (see below). The so-called "Bllaca" war crimes trial against Fahredin Gashi and Hysni Rama also continued at Prishtinë/Priština District Court, the first trial resulting from the testimony of the cooperative witness Nazim Bllaca.

Investigations also proceeded concerning the case of the former Minister, Fatmir Limaj, together with the arrests on 16 March of nine individuals in Kosovo and Switzerland, with regard to war crimes allegations. The investigation is under the supervision of a prosecutor from the Kosovo Special Prosecution Office and is based on grounded suspicions of killings, torture and other offences against Kosovo Albanian and Serb civilians and prisoners of war in a detention centre in Kosovo in 1999. The arrested individuals have been kept under extended detention on remand

since March and, most recently, on 20 June, a panel of Kosovo and EULEX judges rejected the appeals of five of the defendants as ungrounded and confirmed the decision of the pre-trial judge to extend their detention for a further month. The issue of Limaj's parliamentary immunity from arrest as a member of the Kosovo Assembly still needs to be clarified, and the Mission has sought various legal and political avenues to receive clarification on the issue; however, even as a member of the Assembly, Limaj does not enjoy immunity from prosecution for the alleged crimes committed.

The Government took steps to clarify the issue of immunity from arrest on 20 July when it decided to refer to the Constitutional Court a request for an interpretation of the immunity of the President, Prime Minister, Ministers and members of the Kosovo Assembly.

Investigations are proceeding following the arrest in April, by the Kosovo police and EULEX, of Zoran Kolić, a senior official of the Independent Liberal Party, on charges of war crimes allegedly committed in 1999. In May, a panel of local EULEX judges extended his detention on remand.

Corruption

EULEX continued to work closely with Kosovo prosecutors to identify, prioritize and prosecute major cases of corruption at various levels of government. On 15 June, a joint Kosovo police and EULEX police team carried out searches and seized materials as part of an investigation concerning the Ministry of Community and Returns and the so-called "Fimex" company in Pristina. The searches, which also included two private residences, were conducted in the context of an investigation into corruption with regard to tenders issued from 2007 to 2009. The charges in the case relate to misappropriation in office, accepting and giving bribes. On 23 June, EULEX carried out searches at the Municipal Cadastral Office of Gračanica/Graçanicë, including the offices of the Head and the Director of the Office. The searches were carried out in the context of an investigation into alleged abuse of official position in relation to the fraudulent registration of ownership of privatized former socially owned enterprises in 2010. Meanwhile, investigations continue in corruption cases involving four defendants connected to the former Governor of the Central Bank of Kosovo, with witnesses continuing to be interviewed.

On 23 May, a panel of local and EULEX judges at Prishtinë/Priština District Court convicted eight people on corruption charges in connection with irregularities at the Credit Bank of Prishtinë/Priština, handing down sentences ranging from suspended sentences to five years in prison. On 8 June, the Special Prosecution Office filed an indictment against five defendants in the investigation in relation to a mobile virtual network operator agreement between the Post and Telecommunications of Kosovo and a private company, Dardafon. On the same day, the Special Prosecution Office filed an indictment against two defendants in the context of an investigation regarding a large importation of tobacco by four Kosovo tobacco companies in December 2008.

As part of the Mission's continuing support to Kosovo institutions through effective monitoring, mentoring and advising, on 28 June EULEX began a 12-month training and workshop programme for Kosovo and EULEX judges, prosecutors and investigators on the confiscation of criminal assets. The programme aims to make

the use of confiscation powers deriving from the existing law a standard tool in the fight against organized crime and corruption. It will also serve to prepare the way for the implementation of new legislation in the area.

Organized crime

On 10 June, a EULEX prosecutor from the Kosovo Special Prosecution Office filed an indictment against two individuals related to the so-called *Medicus* case. Warrants of arrest were issued by Prishtinë/Priština District Court and both suspects are subject to INTERPOL international wanted notices. The two indictees join seven additional defendants indicted in April by a panel of EULEX and local judges. Together, the nine defendants will face charges related to organ and human trafficking, organized crime, unlawful exercise of medical activity and abuse of official position. The case was initiated by Kosovo and UNMIK police officers in November 2008.

On 17 June, seven of the defendants in the so-called *Tisa River* case charged with organized crime and smuggling of migrants were sentenced to terms of imprisonment ranging from 2 to 19 years, for a total of 65 years. The case exposed an organized crime group that offered migrants illegal passage to European Union and other European countries, making significant illicit profits. The activities of the group resulted in the death of 15 migrants in October 2009.

Several police operations related to combating organized crime were also carried out during the spring and summer. On 4 May, as part of several house searches linked to drug trafficking in Pejë/Pec, EULEX Executive Police arrested a man in connection with an investigation into international heroin trafficking, authorized by a EULEX pretrial judge at Prishtinë/Priština District Court and supervised by a EULEX prosecutor. The arrested individual is suspected of trafficking drugs in and out of Kosovo to various European countries in 2008/09 and his arrest is part of a wider investigation into organized crime. On 17 May, EULEX arrested a man in a location between Zubin Potok and northern Mitrovicë/Mitrovica, suspected of involvement in organized crime. The arrest took place within the context of an ongoing investigation by the Special Prosecution Office into organized crime and money-laundering and followed up on an earlier EULEX law enforcement operation in Zubin Potok in February. Following the arrest daily roadblocks were organized in the area in support of the arrested person.

EULEX Special Task Force

Since the report of the Council of Europe Special Rapporteur, Senator Dick Marty, was made public in December 2010, EULEX has assumed responsibility for the case and continues to move forward with the preliminary investigation, through a special Task Force dedicated to the matter with prosecutors assigned to this case only. Planning for this process has now reached an advanced stage, to the point where Task Force members have been interviewed and recruited and facilities and equipment for the Task Force in Brussels have been secured. The EULEX Task Force, to be based in Brussels and Prishtinë/Priština, consists of EULEX staff selected in the most recent hiring process, permanently assigned to the investigation of the case and operational immediately upon their deployment. EULEX continues to maintain contact with relevant stakeholders and actors in the region as the investigatory process moves forward.

Cooperation with judicial authorities in Tirana has in particular led the Court of Serious Crimes, on 27 May 2011, to rule in favour of a request for international assistance lodged by EULEX prosecutors in this respect, paving the way for concrete investigative work in Albania. In parallel to those judicial efforts, the Mission has strengthened its witness security programme by reaching out to, inter alia, EUROPOL to improve the prospects for relocation abroad and by increasing the funding for such relocation.

Approved by Xavier Bout de Marnhac
Head of Mission

Annex II

Composition and strength of the police component of the United Nations Interim Administration Mission in Kosovo

(as at 15 July 2011)

Country	*Number*
Germany	1
Ghana	1
Italy	1
Romania	1
Russian Federation	1
Pakistan	1
Ukraine	1
Total	**7**

Annex III

Composition and strength of the military liaison component of the United Nations Interim Administration Mission in Kosovo

(as at 15 July 2011)

Country	*Number*
Czech Republic	1
Denmark	1
Norway	1
Poland	1
Romania	1
Spain	1
Ukraine	2
Total	**8**